

CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

NEWS RELEASE

Department of Toxic Substances Control

T - 10 - 03For Immediate Release April 3, 2003

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\$36,000 Settlement Reached with ConocoPhillips Petroleum for Bakersfield Site

Berkeley --- The California Department of Toxic Substances Control (DTSC) today announced that it has reached a \$36,000 settlement with ConocoPhillips Petroleum Company, which is the merger successor to Tosco Corporation, for hazardous waste violations at its 30-acre site on Mohawk Drive in Bakersfield.

As a result of the settlement, ConocoPhillips must remove 80,000 tons of petroleum coke materials and debris from the site by the end of 2003. Petroleum coke is a byproduct of the petroleum refining process and is used as a solid fuel. All usable petroleum coke materials will be transported to the Chemical Lime limestone quarrying and lime product plant in Peach Springs, Arizona, and will ultimately be used as a fuel. All unusable petroleum coke materials and site debris will be analyzed and disposed of appropriately.

"Through a collaborative effort by DTSC and the State Attorney General's Office, we reached an agreement with ConocoPhillips that requires the site to be cleaned up to levels protective of public health and the environment, and promotes safe and beneficial reuses of the site's materials to produce energy," said Ed Lowry, DTSC Director.

The settlement stems from violations observed by DTSC's Statewide Compliance Division staff during a site inspection in April 1992. DTSC inspectors found that hazardous petroleum coke wastes were stored at the site for longer than 90 days, and disposed of without the required permit.

The settlement requires ConocoPhillips to correct all violations, and perform comprehensive soil sampling and soil remediation activities to remove any harmful contaminants onsite and any contaminants that may have migrated offsite. Preliminary soil samples at the site showed elevated levels of polyaromatic hydrocarbons. These hazardous substances form when materials, such as coal, oil or fuel, are not completely burned.

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Site cleanup and remediation activities required by the settlement include the following:

- Stockpiled material will be screened to separate unusable/oversized material from the petroleum coke.
- All petroleum coke, coal tar, and coke/sand mixture not suitable for use at the Chemical Lime facility will remain onsite for characterization, management and eventual offsite disposal, in accordance with DTSC approved work plans.
- All debris will be characterized, managed and disposed of in accordance with applicable local, state, and federal requirements.
- Petroleum coke will be loaded into open-topped rail freight cars using heavy equipment, and then covered and transported via rail to the Chemical Lime facility for future use as a fuel.
- The western rail spur at the site will be repaired and inspected by qualified professionals prior to its use for transporting materials offsite.
- Dust control measures will be used throughout the cleanup process.

The Bakersfield site was formerly used as a petroleum coke storage and production facility. The facility was constructed in 1964 by Signal Oil Company a subsidiary of Cascade Carbon. Acquired by Tosco Corporation in 1970, the facility ceased operations in 1987 and all equipment was removed in 1988, prior to the acquisition of Tosco by Phillips Petroleum Company in 2001. Phillips Petroleum subsequently merged with Conoco Inc. in 2002 to become ConocoPhillips.

Although the violations at the site have been corrected and all soil remediation activities stated above must be completed by the end of 2003, DTSC is not limited from taking appropriate enforcement actions against ConocoPhillips for future violations at this or any other ConocoPhillips Petroleum facility.

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The Department of Toxic Substances Control's mission is to restore, protect, and enhance the environment and ensure public health, environmental quality and economic vitality by regulating hazardous waste, conducting and overseeing cleanups, and developing and promoting pollution prevention.

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"The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our Web-site at www.dtsc.ca.gov."